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FISCAL IMPACT STATEMENT

LS 7082

BILL NUMBER: HB 1135

NOTE PREPARED: Mar 24, 2005

BILL AMENDED: Mar 24, 2005

SUBJECT: Electronic Publication of the IAC and Indiana Register.

FIRST AUTHOR: Rep. Heim

FIRST SPONSOR: Sen. Ford

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

(A) It requires the Legislative Services Agency, as the publisher, to publish the Indiana Administrative Code (IAC) and the Indiana Register in electronic form only after June 30, 2006.

(B) It establishes administrative rulemaking requirements to facilitate the electronic editing and publication of the documents.

(C) It requires an agency to obtain an "authorization to proceed" from the publisher of the Indiana Register.

(D) It specifies that the publisher of the Indiana Register and Indiana Administrative Code may permanently publish those documents on the Internet to meet the publisher's publication duties.

(E) It requires the publisher to provide a paper copy of each document to each federal depository library in Indiana.

(F) It expands exceptions to the requirement that an agency begin the rulemaking process within 60 days after the effective date of a statute that authorizes agency rulemaking.

(G) It requires an agency to publish a notice of intent to adopt a rule in the Indiana Register at least 28 days in advance of notifying the public of the agency's intent to adopt a rule.

(H) It provides that an agency has discretion whether to solicit public comment on any aspect of the making of a rule.

(I) It authorizes the Attorney General to require supporting documentation with respect to a rule submitted for the Attorney General's approval.

(J) In the case of readoption of a rule subject to expiration, it requires only publication of a notice to adopt the rule in the Indiana Register and eliminates the requirements that the agency publish:

- (1) the agency's intent to adopt a rule in a newspaper of general circulation in Marion County;
- (2) a notice of public hearing with respect to the rule to be readopted; and
- (3) the full text of the rule to be readopted; in the Indiana Register.

(K) It requires the Secretary of State to distribute the original of any rule accepted for filing to the publisher of the Indiana Administrative Code.

(L) It eliminates provisions that specifically permit the Secretary of State to distribute copies of a rule to various public officials.

Effective Date: July 1, 2005.

Explanation of State Expenditures: (Revised) *Legislative Services Agency (LSA)*: The administrative changes in this bill are not expected to have a significant impact on the LSA, the publisher of the IAC and the Indiana Register. Under the bill, effective after June 30, 2006, the publisher of the IAC may only publish the Indiana Register and the Indiana Administer Code in electronic form.

The Indiana Register and IAC are currently published electronically, with only a limited number of paper copies printed. Each month, approximately 40 paper copies of the Indiana Register are printed and distributed internally or to depository libraries. The supplemental IAC is printed every second year with about 200 bound editions. Both the Indiana Register and the IAC are currently available electronically through the General Assembly's website.

Agencies with Rulemaking Authority: Under the bill, documents associated with rules submissions would have to be submitted electronically to the publisher. Currently, about 95% of the proposed rules are submitted electronically, accompanied by a paper copy. However, most supporting materials, emergency rules, re-adoption, and corrections are submitted in paper form because signatures are required, suggesting the need for paper submission.

The bill would also require that the publisher determine the date that the material will appear in the Indiana Register and provide a written or electronic mail authorization to proceed to the agency. Agencies would not contract for publication of a notice until the LSA document number is assigned, and they would have to provide the authorization with the material submitted to the Attorney General. Also, the bill specifies the number and types of copies to be submitted to the Attorney General and Secretary of State, and the Attorney General may require supporting documentation for rules submitted for review. The administrative changes in the bill are not expected to have a significant impact on the agencies with rulemaking authority.

Potential cost savings could result from changes to publication and meeting requirements. The bill eliminates requirements to publish notices concerning rules readoption in publications other than the Indiana Register.

Under current law, the cost for the publication in newspapers is specified as \$3.47 for the first insertion and \$1.73 for each additional insertion. For rules or tabular work, an additional charge of 50% is allowed. Also, the bill gives agencies discretion on soliciting comment. If the number of public meetings are reduced, cost savings could occur.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Legislative Services Agency; Agencies with rulemaking authority; Attorney General; Secretary of State.

Local Agencies Affected:

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